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THERMO FISHER SCIENTIFIC, INC., LIFE TECHNOLOGIES CORPORATION, and APPLIED BIOSYSTEMS, LLC

IN THE UNTED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

FLUIDIGM CORPORATION, a Delaware corporation, Plaintiff, v. THERMO FISHER SCIENTIFIC, INC., a Delaware corporation, LIFE TECHNOLOGIES CORPORATION, a Delaware corporation; and APPLIED BIOSYSTEMS, LLC, a Delaware limited liability company, Defendants.	Case No. 3:17-cv-01457 **NOTICE OF REMOVAL OF ACTION UNDER 28 U.S.C. § 1441 (A) (FEDERAL QUESTION)** **DEMAND FOR JURY TRIAL**

TO THE CLERK OF THE ABOVE-ENTITLED COURT:

PLEASE TAKE NOTICE that Defendants Thermo Fisher Scientific, Inc., Life Technologies Corporation, and Applied Biosystems, LLC (collectively "Defendants") hereby remove to this Court the state court action described below.

On December 19, 2016, Plaintiff Fluidigm Corporation ("Fluidigm") filed an action against Defendants in the Superior Court of the State of California for the County of San Mateo. That action was styled *Fluidigm Corp. v. Thermo Fisher Scientific, Inc., et al*, Case No. 16-CIV-02918. The Complaint in the action was served on Defendants on February 17, 2017. A copy of the Complaint is attached hereto as Exhibit A.

The Complaint asserts breach by Defendants of a Patent Cross-License Agreement ("Agreement"). The Agreement is the sole basis for all of the Plaintiff's claims.

I. JURISDICTION

The Complaint pleads breach of contract and breach of the covenant of good faith and fair dealing for alleged failure to pay royalties under the Agreement. The Agreement defines the royalty obligation based on the scope of patent rights. In other words, whether a product is subject to the royalty obligation (and whether Defendants have breached the Agreement by not paying royalties) turns on whether or not the product would, but for the license, infringe the licensed patents. The Complaint thus directly raises a federal question arising under federal patent laws and this Court has jurisdiction under 35 U.S.C. § 1338. Accordingly, this is a case that may be removed to this Court by Defendants pursuant to 35 U.S.C. § 1441(a).

II. INTRADISTRICT ASSIGNMENT

As this Complaint was filed in the City and County of San Mateo, assignment to the San Francisco Division of the United States District Court for the Northern District of California is proper.

III. PLAINTIFF'S COMPLAINT MAKES CLEAR THAT THIS CASE BELONGS IN FEDERAL COURT

Fluidigm asserts breach by Defendants of a Patent Cross-License Agreement. The basis for Fluidigm's claims is that "[t]he Agreement provides . . . for the payment of running worldwide royalties to Plaintiff based 'on Net Sales of Instruments sold by [defendant Applied Biosystems, LLC] and its

Affiliates'" and "based 'on Net Sales of Consumables sold by [defendant Applied Biosystems, LLC] and its Affiliates'," that all of Defendants' "Instruments" and "Consumables" must be accounted for when determining royalties due, and that Defendants have at various times failed to do this. Ex. A ¶¶ 14-28. Fluidigm's Complaint further asserts that a list of specific products marketed and sold by Defendants are "Instruments" under the Agreement. *Id.* ¶ 29.

Though the Complaint attempts to gloss over this issue, the Agreement's definitions of both "Instruments" and "Consumables" turn on whether the products in question would, if unlicensed, infringe or are covered by one or more valid claims of particular United States Patents.[1] Thus, answering the question whether or not Defendants have breached the Agreement by failing to properly include the products listed in paragraph 29 of the Complaint within the definition of Instruments, and whether any other of Defendants' products are "Instruments" or "Consumables" under the Agreement, necessarily requires determining patent scope and coverage. And of course, Defendants intend to raise all appropriate defenses to Fluidigm's claims, including *inter alia* that the products-at-issue do not infringe and are not covered by the relevant patents.

Federal jurisdiction under 35 U.S.C. § 1338 extends to cases where "the plaintiff's right to relief necessarily depends on resolution of a substantial question of federal patent law, in that patent law is a necessary element of one of the well-pleaded claims. "*Christianson v. Colt Indus. Operating Corp.*, 486 U.S. 800, 809 (1988). Infringement is a substantial issue of federal patent law. *Hunter Douglas, Inc. v. Harmonic Design, Inc.*, 153 F.3d 1318, 1329, 30 (Fed. Cir. 1998), *overruled by Midwest Indus., Inc. v. Karavan Trailers, Inc.*, 175 F.3d 1356, 1358-61 (Fed. Cir. 1999). Where an element of an asserted state law claim necessarily entails a determination of infringement or non-infringement, a district court has jurisdiction. *Additive Controls & Measurement Sys., Inc. v. Flowdata, Inc.*, 986 F.2d 476, 477-78 (Fed Cir. 1993) (case properly removed where a state law business disparagement claim required plaintiff to prove that it does not infringe a patent); *Scherbatskoy v. Halliburton Co.*, 125 F.3d 288, 291 (5th Cir.

[1] Because the Agreement has a confidentiality provision, and because a protective order has not yet been entered in this case, Defendants are not attaching the Agreement to this Notice, and instead summarize its relevant provisions here as Fluidigm does in its Complaint.

1997) (case properly removed where plaintiff's complaint alleges that defendant breached a contract where it failed to pay royalties under a license agreement on products plaintiff alleged infringed the patents covered by the agreement); *Jang v. Boston Sci. Corp.*, 767 F.3d 1334, 1336-37 (Fed. Cir. 2014) (a contract case necessarily implicating underlying issues of infringement arises under the patent laws).

IV. JURY TRIAL DEMAND

Defendants demand a jury trial on all issues so triable.

V. ALL CO-DEFENDANTS JOIN IN REMOVAL

The undersigned represents all three co-defendants in this case and certifies that all three consent to removal of this case to federal court.

VI. CONCLUSION

For the reasons stated above, this matter is properly removed to federal court, exclusive jurisdiction.

Dated: March 17, 2017

DURIE TANGRI LLP

By: */s/ Sonal N. Mehta*
SONAL N. MEHTA

Attorneys for Defendants
THERMO FISHER SCIENTIFIC, INC., LIFE TECHNOLOGIES CORPORATION, and APPLIED BIOSYSTEMS, LLC

PROOF OF SERVICE

I am a citizen of the United States and resident of the State of California. I am employed in San Francisco County, State of California, in the office of a member of the bar of this Court, at whose direction the service was made. I am over the age of eighteen years, and not a party to the within action. My business address is 217 Leidesdorff Street, San Francisco, CA 94111.

On March 17, 2017, I served the following documents in the manner described below:

- **NOTICE OF REMOVAL OF ACTION UNDER 28 U.S.C. § 1441 (A) (FEDERAL QUESTION)**
- **CIVIL COVER SHEET**

[x] (BY MESSENGER SERVICE) by consigning the document(s) to an authorized courier and/or process server for hand delivery on this date.

On the following part(ies) in this action:

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Attorneys for Plaintiff
Fluidigm Corporation

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on March 17, 2017, at San Francisco, California.

/s/Celeste Alas
Celeste Alas